

REQUEST FOR INFORMATION TO ESTABLISH FISCAL YEAR 2004 LIST OF PRE-QUALIFIED FIRMS FOR INVESTMENT BANKING AND UNDERWRITING SERVICES

The Department of Budget and Finance is in the process of establishing a Pre-Qualified List of Public Finance Bond Underwriters and Investment Bankers for the June 30, 2004 Fiscal Year pursuant to Section 103D-304, Hawaii Revised Statutes. Firms interested in qualifying to be on the State's Pre-Qualified List are being asked to submit one original and four copies of a letter of Expression of Interest and a Statement of Qualifications as more fully explained below. Firms on the State's Pre-Qualified List for the June 30, 2003 Fiscal Year must submit a new Expression of Interest and Statement of Qualifications for the June 30, 2004 fiscal year list.

The Expression of Interest letter must indicate, at minimum, the following:

1. That your firm is interested, willing and qualified to serve in the capacity of Senior Manager, Co-Senior Manager, and/or Co-Manager on a State bond issue. If you indicate that your firm is willing to serve only in the capacity of Senior Manager, your firm will not be considered for Co-Senior Manager or Co-Manager appointments.
2. The type of public debt financing vehicles your firm is staffed and qualified to handle, e.g., general obligation bonds, single family mortgage revenue bonds, multi-family revenue bonds, transportation revenue bonds (distinguish between airports, harbors, and highways), health system revenue bonds, private activity revenue bonds, certificates of participation, and municipal leases. Your firm will not be considered for any State financings that you do not specify.
3. That your firm is willing and authorized to accept all terms and conditions of the State's Professional Services Agreement, a copy of which is enclosed, including the indemnity provision in the Special Conditions section.

The Statement of Qualifications must provide, at minimum, the information requested below. Please note that the firm's general descriptive brochure by itself does not meet the requirement for a Statement of Qualifications.

- A. Information about the firm: Official name; the date and state in which the firm was incorporated; the principal place of business of the firm; the number and location of all offices of the firm; and the average number of employees employed by the firm for the past five years.
- B. Specify whether the firm is doing business in the State of Hawaii. If the response is affirmative, include the number of locations (by street address), number of employees, and numbers of years doing business in Hawaii.

C. The names and telephone numbers of at least three clients who may be contacted, including at least two for whom services were rendered during the preceding year.

D. Resumes of key personnel who would be involved in providing underwriting services to the State of Hawaii, setting forth in detail the individual's professional underwriting experience, e.g., area of expertise, the number and amount of financing deals in which the individual has been integrally involved and the capacity in which the individual was involved as well as the capacity of the firm's involvement (Senior, Co-Senior, Co-Manager, etc).

E. Industry rankings (indicate name of firm, e.g., Securities Data Company, Inc.) as Senior Manager, Co-Manager, Negotiated Senior Manager or Competitive Senior Manager for each of the past three years, **as of December 31st of each year**, for the type of financings indicated by the firm in its expression of interest (no. 2 above), e.g., long term general obligation bonds, single family mortgage revenue bonds, multi-family revenue bonds, transportation revenue bonds (distinguish between harbors, airport, and highways), health system revenue bonds, certificates of participation, municipal lease financings, etc.

F. National Marketing Program. Describe your institutional/retail and national/regional marketing programs

G. Explain your expertise in municipal finance, e.g., the number and diversity of financings routinely handled by the firm, unique products or services offered, areas of specialties, etc.

H. Identify bond transactions underwritten in the State of Hawaii, both State and City transactions, and specify firm's role, e.g., Lead Manager, co-manager, etc.

I. Total capital, equity capital, net capital and excess net capital for the past five years.

J. A summary of the firm's ten most recent tax-exempt negotiated bond financings that were senior managed or co-managed. Be sure to identify the issuer and indicate the name of the transaction, the sale date, the issue size, the rating(s), the underwriting spread, true interest cost, and the firm's role.

K. Federal Tax I.D. Number. Selected underwriters will perform services in the State of Hawaii. Therefore, a State of Hawaii General Excise Tax I. D. Number will be required.

L. Litigation. Disclose any lawsuits or administrative actions taken against you by the Federal Government, a state, a municipality, or any other entity during the past three years related to public finance bond underwriting and investment banking. Disclose the nature and status of the action. If none, so indicate.

M. Governmental Compliance. Disclose if your firm has been involved in any suspension or disbarment proceedings for award of contracts by the Federal Government, a state, or a municipality. If yes, provide the resolution of the findings. If none, so indicate.

The firm may submit other information that it believes will be relevant to qualify the firm for the State of Hawaii's Pre-Qualified List of Public Finance Bond Underwriters and Bankers for the June 30, 2004 fiscal year. Expressions of Interest and Statements of Qualification must be received by 4:00 pm., HST, June 13, 2003, at the following address:

Ms. Georgina K. Kawamura, Director of Finance
Department of Budget and Finance
250 South Hotel Street, Room 302
Honolulu, Hawaii 96813

Facsimile transmissions of the Expression of Interest and Statement of Qualifications will not be accepted. The State of Hawaii accepts no financial responsibility for costs incurred by firms responding to this request. Any and all material submitted to the State in response to this letter will become the property of the State of Hawaii.